

**Board of Trustees
Of
Elmhurst Firefighters' Pension Fund**

**Regular Meeting Minutes
February 16, 2011**

I. Meeting Called to Order

Michael Kopp, President, called the meeting to order at 8:35 a.m. at Elmhurst City Hall, 209 N. York Street, Elmhurst, Illinois.

II. Roll Call

The following members were present at the meeting:

President Michael Kopp, Trustee Paul Nolte, Trustee Richard Swanson, and Trustee Mike Caccitolo. City Treasurer David Dyer was absent.

Also present at the meeting were investment representatives David Harrington and Bob Thompson from MB Financial.

III. Public Comments

There were no public comments.

IV. Approval of minutes from the November 3, 2010

The Board reviewed the minutes from the November 3, 2010 meeting. Revised minutes will be sent out with the following changes:

Corrected signature line on the bottom from Mike Kopp to Richard Swanson who is the acting Secretary.

In Section V – Presentation of Bills, the corresponding dollar amounts are:

- Expenses for Michael Kopp for his attendance at the Annual IPPFA Conference in St. Louis – gas and lodging - \$600.22
- Board IPPFA membership - \$775.00

David Dyer will write a letter requesting “approval” rather than “exemption” of his training hours earned as a CPA.

A motion was made to approve these changes as noted by Dick Swanson. The motion was seconded by Paul Nolte. A voice vote followed. Motion carried.

V. Presentation of Bills

- Richard Reimer – 11/17/10 – special board meeting attendance - \$175.00
- Richard Reimer – 12/13/10 – legal opinion - \$88.44

VI. Old Business

None

VII. Cash and Investments

a. Treasurer's Report

The Treasurer's Report was reviewed by the Board. A motion was made by Dick Swanson to accept the report. The motion was seconded by Paul Nolte. A voice vote followed. Motion carried.

Report from the Investment Manager. The report was reviewed by Dave Harrington and Bob Thompson. A motion was made by Dick Swanson to accept the report. The motion was seconded by Paul Nolte. A voice vote followed. Motion carried.

VIII. New Business

Election of President and Secretary

A motion was made to elect Mike Kopp as President by Dick Swanson. The motion was seconded by Paul Nolte. A voice vote followed. Motion carried.

A motion was made to elect Mike Caccitolo as Secretary by Dick Swanson. The motion was seconded by Paul Nolte. A voice vote followed. Motion carried.

Review of Investment Policy and guidelines

A motion was made by Paul Nolte to allow the purchase of Corporate Bonds and allow up to 30% of the fixed income to be in corporate bonds with a range of 0 – 50% of fixed income and change the normal allocation as follows:

| | <u>Current</u> | <u>Proposed</u> |
|------------------------------------|----------------|-----------------|
| Cash, Money Market, IPTIP accounts | 0% | 0% |
| Bank Certificates of Deposit | 0% | 0% |
| U.S. Treasury Securities | 45% | 10% |
| U.S. Government Agency Securities | 40% | 50% |
| U.S. Government Agency MBS | 5% | 0% |
| Taxable Municipal Securities | 10% | 10% |
| Corporate Bonds | --- | 30% |

The motion was seconded by Mike Caccitolo. A voice vote followed. Motion carried.

Dick Swanson made a motion to change the benchmark from Merrill Lynch Treasury/Agency Index to B of A Merrill Lynch Treasury/Agency Index and add B of A Merrill Lynch 1-10 Year Corporate. Paul Nolte seconded the motion. A voice vote followed. Motion carried.

Dick Swanson made a motion to make the change the equity allocation from 45% to 50% as of 7/1/11, as allowed by legislation. The motion was seconded by Paul Nolte. A roll call followed. Ayes: Trustee Swanson, Kopp and Nolte (3) Nays: Trustee Caccitolo (1) Absent: (0). Motion carried.

Dick Swanson then made a motion to keep equities at the current allocation of (43%). The motion was seconded by Paul Nolte. A voice vote followed. Motion carried.

Pension Affidavits of Eligibility

Pension affidavits have been mailed out and are about ½ returned.

Investment Manager Review/RFP

Will be using the standard RFP. Dick Swanson suggested limiting it to Illinois Corporations. Mike Kopp would like to send the RFP to a maximum of 5 – 6 firms, with a three-week turnaround time to respond. When we have information from the six, the list can be narrowed down further utilizing the Qualifications Based Selection process. The firms that were selected were:

**MB Financial Bank
Morgan Stanley Smith Barney
Sawyer Falduto Asset Management, LLC
Greatbanc Trust Company
Mesirow Financial**

The RFP will be sent out the week of February 21, with a three week response deadline. Upon receipt of the information from the banks, we will schedule an extra meeting before the next scheduled quarterly meeting to discuss qualifications.

IX. Executive Session Matters

None at this time

X. Adjournment

A motion was made by Dick Swanson to adjourn the meeting at 9:50 a.m. The motion was seconded by Paul Nolte. A voice vote followed. Motion carried.

Respectfully submitted,

Michael Caccitolo
Secretary

Fireadmin/pension/minutes/2011/February 16, 2011